

225/342-4427

April 3, 2002

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: In the Matter of Review of the Section 251 Unbundling Obligations of Incumbent
Local Exchange Carriers
CC Docket No. 01-338

Dear Mr. Caton:

By General Order dated March 15, 1996, the Louisiana Public Service Commission (LPSC) adopted a comprehensive set of regulations to foster the transition from monopoly to competitive local telecommunications markets in Louisiana. A major objective of the LPSC through these rules is to nurture an environment that brings the benefits of local competition to all of our citizens, not just large businesses located in our larger cities. Recognizing that the level of competition in Louisiana is directly affected by which unbundled network elements (UNEs) are widely available in the state, the LPSC mandated that incumbent local exchange carrier (ILEC) switching be made available to competing carriers on an unrestricted basis at TELRIC rates throughout the state.

The LPSC also strives to ensure that state and federal regulators work together to achieve Congress' intent that local markets be opened to competition. The Federal Communications Commission (FCC) has previously recognized the important contribution of State Commissions to local competition, expressing its intention to foster an interactive process by which a number of policies consistent with the 1996 Telecommunication Act (the "Act") are generated by the states, which may then be incorporated into national minimum requirements.

In its conduct of the UNE Triennial Review, the FCC intends to consider, on a UNE-by-UNE basis, whether carriers would be "impaired" in their ability to offer services if they do not

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have access to specific UNEs. The LPSC is concerned that the FCC may adopt new UNE minimum standards that increase the level of impairment. Of specific note, the unbundled switching UNE is absolutely critical to the continued development of competition in Louisiana, and we urge the FCC not to reduce previously established minimums and to state explicitly that state commissions may, consistent with federal guidelines, approve additional UNEs or expand the availability of UNEs beyond the FCC's established minimums.

The LPSC Local Competition Regulations are the result of a comprehensive proceeding where the LPSC studied in depth the best methods to transition from a protected monopoly market to a competitive market. As part of these regulations, the LPSC requires that ILECs provide access to its switches on an unbundled basis at TELRIC rates throughout the state of Louisiana.

Competitive carrier access to an unrestricted switching UNE at TELRIC rates throughout Louisiana is essential to the further development of competition for the benefit of all citizens in Louisiana, regardless of location. Any action by the FCC to restrict, or further restrict CLEC access to unbundled switching from ILECs at TELRIC rates will retard the further development of competition in Louisiana.

A key factor in the ability of carriers to serve both underserved and geographically dispersed markets is their ability to obtain unbundled switching universally throughout the state. In short, the availability of UNEs, including unbundled switching, provides the most successful mode of market entry for competitive carriers in Louisiana.

However, under the FCC's current national list of UNEs (which sets a minimum list of UNEs, to which the states can add) switching is available only on a restricted basis in Louisiana. Under the FCC rules, even in New Orleans – the largest market in Louisiana - circuit switching is available at cost-based rates to serve only the smallest customers (those with three or fewer lines). Competitive carriers need unrestricted access to UNEs at TELRIC rates in the most densely populated areas of the state in order to economically provide services to consumers in the less populated areas of the state.

The LPSC is uniquely situated to know the needs of its citizens and to fairly balance the needs of both the incumbent local providers and the competitive carriers. Simply stated, we believe that the FCC should adopt a baseline national list of UNEs and establish minimum requirements that do not reduce UNE availability to carriers. The LPSC should then be allowed to assume the responsibility for applying local conditions to ensure that competitive services are widely available.

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Thank you for your consideration of these comments and the opportunity to work with you in achieving our mutual goal of bringing the benefits of competition to the broadest possible subscriber base throughout Louisiana and our nation.

Sincerely,

C. Dale Sittig
Commissioner